



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

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**MEMORANDUM**

TO: All State Agency Directors, Boards, Commissions, Presidents/Chancellors of State  
Supported Institutions of Higher Education and Personnel/Payroll Representatives

FROM: Richard Weiss, Director

SUBJECT: Pay Plan Implementation Procedures for Fiscal Year 2008

DATE: May 30, 2007

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Based on the authority vested in the Chief Fiscal Officer of the State pursuant to Arkansas Code 21-5-211 and Act 375 of 2007 in its entirety, the following compensation procedures for the 2008 fiscal year shall apply:

The 2008 fiscal year-pay plan for classified employees is attached. AASIS participating agencies will not be required to perform transactions for implementing cost of living adjustments (COLA). The COLA will be applied automatically by the AASIS Support Center.

**Pay Level IV Employees**

Those employees who are currently on Pay Level IV of their assigned grade **will not** receive a COLA increase on July 1, 2007. These employees will receive a lump sum payment the last pay period of the fiscal year. Those employees, slightly under Pay Level IV, and whose COLA would place them above Pay Level IV will be adjusted to Pay Level IV and will receive the balance of the COLA in Pay Period 13-2008 (June 1, 2008 through June 14, 2008). A listing of these employees with the amount of the lump sum payment will be provided to each agency near the end of the fiscal year.

Any agency/institution not planning to award the COLA increases as authorized by Act 375 of 2007 should submit a justification to the Chief Fiscal Officer explaining why the COLA will not be awarded.

**PROCEDURES FOR UNCLASSIFIED EMPLOYEES**

All unclassified jobs have a Line Item Maximum set forth in their appropriation acts. For AASIS participating agencies, the system is programmed to take all unclassified employees to their new Line Item Maximum. However, if an agency chooses not to pay an employee in an unclassified position at the Line Item Maximum amount, the agency must perform a PA40 transaction between 7:00 am, July 8 and 2:00 pm July 16th, with an effective date of July 1, 2007, to adjust the employee to the appropriate annual salary. If you require assistance with this transaction, you may contact your Personnel Analyst.

### **CAREER SERVICE PAYMENTS**

Annual career service recognition payments may be awarded to eligible employees during the 2008 fiscal year. The rates for each category of service were raised and are now retirement eligible. Act 386 of the 2007 Legislative Session established the following rates for Career Service Recognition payments:

10 – 14 years of state service	\$600
15 – 19 years of state service	\$700
20 – 24 years of state service	\$800
25 or more years of state service	\$900

### **MERIT INCREASE PAY**

Employees will be eligible for merit increases in accordance with the guidelines previously published by the Office of Personnel Management.

Job series promotions can occur as the employee meets the established criteria for such promotions.

If you have any questions, please contact Kay Barnhill, State Personnel Administrator, at 682-5077 or [kay.barnhill@dfa.state.ar.us](mailto:kay.barnhill@dfa.state.ar.us), Callan Callaway, Senior Personnel Supervisor, at 682-5122 or [callan.callaway@dfa.state.ar.us](mailto:callan.callaway@dfa.state.ar.us), or Herb Scott, Higher Education Classification and Compensation Manager, at 682-1757 or [herb.scott@dfa.state.ar.us](mailto:herb.scott@dfa.state.ar.us).

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